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Delaware Department of Justice announces \$2 million payment to support health-related programs

Wilmington, DE – Today, the Delaware Department of Justice announced that Delaware has received a \$2,138,096 supplemental payment through its participation in the Master Settlement Agreement (MSA) with the tobacco industry. Today's payment represents Delaware's share of \$540 million that was initially withheld in April 2008 by the tobacco industry from its annual payment to states who participate in the MSA. The payment has been deposited into the Delaware Health Fund.

"We welcome the receipt of these funds, particularly during this time of lower state revenue," stated Chief Deputy Attorney General Richard Gebelein. "This payment is now available to benefit Delawareans by supporting health-related programs across our state."

The \$540 million initially withheld by the tobacco industry related to a dispute of its 2005 payments to the states. The funds were held in a disputed payments account, and as part of ongoing arbitration related to its previous years' payments, tobacco manufacturers recently agreed to release this amount to the states.

Under the MSA, participating tobacco manufacturers make substantial payments to states that have reached settlements with the industry. They are also bound by a wide array of restrictions on the advertising, promotion and marketing of cigarettes, including outright bans on targeting youth and distribution of merchandise advertising a cigarette brand. Studies show that the vast majority of current adult smokers began smoking before the age of 18, and since the MSA took effect, youth smoking rates nationally have dropped nationwide.

In 1999, the Delaware Health Act was signed into law. This statute established the Delaware Health Fund, which receives payments received by the state under the MSA; created the Delaware Health Fund Advisory Committee to make recommendations for appropriating monies received by the Delaware Health Fund; and directed how money paid into the fund should be spent. The Delaware Department of Justice administers the state's participation in the MSA.

Learn more about the Delaware Health Fund and the Health Fund Advisory Committee by visiting <http://dhss.delaware.gov/dhss/healthfund/about.html>.

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